MEMORANDUM May 28, 2003

To: Endorsing Parties

From: John Whipple, New Mexico Interstate Stream Commission

Subject: Implementation of the Recommendations for San Juan River Operations

and Administration for 2003 and the Principles for Implementation of the

Recommendations

Congratulations to you all on coming together to make the best of a difficult water supply situation for 2003. I believe that a cooperative solution for Navajo Dam operations and San Juan River administration for 2003 provides a better result for the San Juan Basin water users and citizens as a whole than would a solution imposed by the State Engineer or the court system. The State Engineer does accept the subject Recommendations, and the associated principles for implementing them, that have been approved by all the endorsing parties as a basis for administrating the distribution of water on the San Juan River during 2003.

I understand that the endorsements of the Public Service Company of New Mexico, the Arizona Public Service Company and BHP Billiton are contingent upon timely approval by the Bureau of Reclamation of certain subcontracts between them and the Jicarilla Apache Nation for delivery of supplemental water supply in the event of actual shortage. The approval process is underway and is expected to be completed sometime in late June. In the meantime, the Recommendations will be implemented as provided.

I remind you all that by endorsing the Recommendations, the parties agreed to cooperate fully, to the extent of their authority and ability, in the implementation of the Recommendations and to operate their diversions within the framework and bounds described by the Recommendations and the associated Principles. I believe that the expectation was that the endorsing parties are largely responsible for self-policing their diversions under the Recommendations. Nevertheless, the State Engineer is committed to assist in the implementation of the Recommendations, including in the measurement and monitoring of diversions.

The State Engineer and Interstate Stream Commission have been working with the non-Indian irrigation ditches on the San Juan River to install and improve diversion gaging facilities, and will continue to work with the ditches on flow measurement and reporting issues. Specifically, the State Engineer and the Commission will continue to work on making flow measurements, rating installed flumes and installing staff gages, stage recorders and remote sensing equipment on the Citizens, Hammond, Farmers Mutual and

Jewett Valley ditches. The Bureau of Indian Affairs has installed flumes and gaging equipment on the Fruitland and Hogback ditches and will provide ratings for them.

Unfortunately, it will be some time before all the diversion data are available or accessible real-time from remote computer work stations. I suggest that the following procedure be utilized for monitoring implementation of the Recommendations.

- (1) The irrigation ditches will operate their headgates to control diversions into the ditches based on theoretical flume ratings, which may be modified for any shifts that are indicated by flow measurements. The initial ratings will be provided by the State Engineer or the Interior Department, as appropriate.
- (2) The parties operating the ditches will check and provide every Monday, Wednesday and Friday morning to the State Engineer and the Bureau of Reclamation the stage and flow for the diversion by their ditch being made at that time. The State Engineer may field check the diversion and gaging equipment from time to time throughout the irrigation season. The ditches will be expected to make appropriate and timely gate adjustments to eliminate any overdiversions that may be caused by increases in river stage due to increases in releases from Navajo Dam, which may be noticed in advance, or in response to storm runoff.
- Generating Station, the Four Corners Power Plant, the City of Farmington and the Hammond Irrigation Project, and deliveries of water under Jicarilla Apache Nation subcontracts, during each two-week period will be reported by the appropriate endorsing party the following Monday morning to the State Engineer and Reclamation. The Hammond Conservancy District will report daily measured diversions and Armenta wasteway discharges. The appropriate entities also will provide to the State Engineer and Reclamation by June 15 diversion data for the period January 1, 2003, to date for these uses.
- (4) The State Engineer and Reclamation will provide to the endorsing parties every two weeks a summary of Navajo Dam releases and current water supply conditions, including updated runoff forecasts, shortage calculations, diversion data and any other information relevant to implementation of the Recommendations.

For your information, the San Juan Fly Fishing Federation does not object to a minimum release rate from Navajo Dam of 450 cfs through September. Also, it is my understanding that several of the ditches delayed the 2003 season start date for their irrigation diversions past April 1 as follows:

<u>Ditch</u>	Date of First Diversion for Irrigation in 2003	Credit Toward Percentage Shortage
Citizens Ditch	April 15	4.7 %
Hammond Irrigation Project	April 23	7.3 %
Farmers Mutual Ditch	April 12	3.7 %
Fruitland Irrigation Project	April 1	0.0 %
Jewett Valley Ditch	April 15	4.7 %
Hogback Irrigation Project	April 1	0.0 %

Reclamation is transmitting to the endorsing parties its mid-May update of the shortage calculations. Please promptly review the monitoring procedure suggested above and the updated calculations, and provide Pat Page or me with comments and suggestions. We all put a lot of effort into developing the Recommendations, so I hope that we can make them work as intended.